

MINUTES

OF THE

APRIL 19, 2018 REGULAR MEETING



OF THE

OKLAHOMA WORKERS' COMPENSATION COMMISSION

STATEMENT OF OKLAHOMA OPEN MEETING LAW COMPLIANCE

Notice of this Regular Meeting was filed with the Secretary of State's office on Monday, November 13, 2017 at 9:05 a.m., in compliance with the Open Meeting Act.

The agenda was posted at least 24 hours in advance of the meeting, in compliance with the Open Meeting Act. It was posted on the Commission website and at 1915 N. Stiles Ave., Oklahoma City, Oklahoma, the Commission's principal office.

MINUTES OF THE APRIL 19, 2018 REGULAR MEETING OF THE OKLAHOMA WORKERS' COMPENSATION COMMISSION

The members of the Oklahoma Workers' Compensation Commission met at 1915 N. Stiles Ave., Oklahoma City, Oklahoma, on April 19, 2018.

Members present: Chairman Mark Liotta, Commissioner Jordan Russell, and Commissioner Megan Tilly.

Others Present: Dana Esparza, WCC; Interim Executive Director Tish Sommer, WCC; Clif Cypert, WCC; Sharon Smith, WCC; Jennifer Reeves, WCC; Hopper Smith; Cindy Compton Sims, Metropolitan Health Care Self Insured Group Association; Ken Anderson, Metropolitan Health Care Self Insured Group Association, and Mark Bolerjack, CFO of the Multiple Injury Trust Fund.

Chairman Liotta expressed appreciation for those in attendance. After the roll was taken, he announced the presence of a quorum. The meeting was called to order at approximately 1:30 p.m.

Approval of Minutes

Chairman Liotta presented the minutes of the April 11, 2018 and April 12, 2018 public meetings for approval.

Motion: Commissioner Tilly moved to approve the minutes of the April 11, 2018 and April 12, 2018 public meetings.

Second: Commissioner Russell.

Those voting aye: Chairman Liotta, Commissioner Russell, Commissioner Tilly.

The motion carried.

1. **Proposed Commission Approval of Group Self-Insurance Application for New Membership:**

Commission Rule 810:25-11-3 states a new membership to a self-insurance group may not become effective without Commission approval. All applications for membership are filed with the Commission. The application includes evidence of the execution of the indemnity agreement, power of attorney, and joint and several liability agreement, as required by 810:25-11-15, with signed approval of the applicant by the association, and is accompanied by a current balance sheet and income statement and estimated standard and discounted premium the applicant will pay during the period between the application effective date and the association's renewal.

The Commission considered approving the application of **#880 Zeck Motor Company, LLC dba Zeck Chevrolet-Buick-GMC** for new membership to the **Oklahoma Automobile Dealers Self-Insured Association (#75058)**.

Permitting Services Division Director Stormy Moore recommended approval of the application by memorandum dated April 16, 2018. Tish Sommer was recognized, presented the application for the Commission's approval as recommended by Division Director Moore, and responded to questions of the Commissioners.

Motion: Commissioner Tilly moved to approve the application of Zeck Motor Company, LLC dba Zeck Chevrolet-Buick-GMC for new membership to the Oklahoma Automobile Dealers Self-Insured Association (#75058)

Second: Commissioner Russell.

Those voting aye: Chairman Liotta, Commissioner Russell, and Commissioner Tilly.

The motion carried.

2. **Discussion and Consideration of Distribution of Surplus Monies to Members of the Metropolitan Health Care Self Insured Group Association (#75220)**

Metropolitan Health Care Self Insured Group Association, a group self-insurance association, requested approval of a partial distribution of surplus monies back to its members in the amount of \$1,152,139 that will be payable to all current members who participated in contract years 2012, 2013 and 2014. The distribution will be from the following contract years: \$152,139 from the 2012 contract year, \$500,000 from the 2013 contract year and \$500,000 from the 2014 contract year. There is one open claim for contract year 2012, three open claims for contract 2013 and two open claims for contract year 2014. The group has a financial surplus of \$6,239,765 for all contract years combined as indicated in the financial statement for the period ending September 30, 2017.

Commission Rule 810:25-11-10 states that any surplus monies may be declared refundable by the association's board. The date and manner of the distribution shall be declared by the association's board and shall be in accordance with the association's bylaws. The board shall submit the distribution request to the Commission for approval, with all supporting documents. The Commission considered approving the distribution of surplus monies to members of the Metropolitan Health Care Self Insured Group Association as described.

Permitting Services Division Director Stormy Moore recommended Commission approval of the requested partial distribution of surplus monies by memorandum dated April 10, 2018. Tish Sommer was recognized and presented the request for partial distribution for the Commission's approval as recommended by Division Director Moore.

Motion: Commissioner Russell moved to approve the Metropolitan Health Care Self Insured Group Association's request for partial distribution of surplus monies.

Second: Commissioner Tilly.

Those voting aye: Chairman Liotta, Commissioner Russell, and Commissioner Tilly.

The motion carried.

3. Discussion and Consideration of Assessment and Assessment Rate for the Multiple Injury Trust Fund (MITF)

Title 85A O.S. § 31 directs the Commissioners of the Workers' Compensation Commission to establish an assessment rate applicable to each mutual or interinsurance association, stock company or other insurance carrier writing workers' compensation insurance in this state, each employer carrying its own risk, and each group self-insurance association, for purposes of computing the assessment necessary to pay the annual obligations of the MITF determined on or before December 31 of each year by the MITF Director, to be outstanding for the next calendar year. The rate shall be equal for all parties required to pay the assessment. The maximum assessment rate is six percent (6%). The Commission considered establishing the assessment rate for the MITF for the four-quarter period of July 1, 2018 through June 30, 2019.

Tish Sommer was recognized, reported and gave a recommendation. Mark Bolerjack was present on behalf of the MITF and responded to a question posed by a Commissioner.

Motion: Commissioner Russell moved to approve the assessment at the maximum statutory rate of 6%.

Second: Commissioner Tilly.

Those voting aye: Chairman Liotta, Commissioner Russell, and Commissioner Tilly.

The motion carried.

4. Consent Agenda for Travel Vouchers Currently Outstanding

Title 85A O.S. § 23 states any Commissioner or employee of the Commission shall be entitled to receive his or her necessary traveling expenses as provided in the State Travel Reimbursement Act. The expenses shall be certified by the person who incurred them and shall be allowed and paid on presentation of vouchers approved by the Commission. In accordance with this section, the Commission considered a vote to approve the currently outstanding vouchers.

Commission CFO Jennifer Reeves was recognized, reported and gave a recommendation.

Motion: Commissioner Tilly moved to approve the currently outstanding vouchers.

Second: Commissioner Russell.

Those voting aye: Chairman Liotta, Commissioner Russell, and Commissioner Tilly.

The motion carried.

5. Discussion and Consideration of Renewing the Contract between the Commission and Information Services Organization (ISO) for Electronic Data Interchange (EDI) Services for Fiscal Year 2019

The Commission discussed and considered approving renewal of its contract with ISO for EDI services for FY-2019. The cost of the contract is \$60,000.00.

Commission CFO Jennifer Reeves was recognized, reported, responded to questions of the Commissioners and gave a recommendation.

Motion: Commissioner Tilly moved to renew the contract between the Commission and ISO for EDI services for FY-2019, encumbering funds in the amount of \$60,000.00.

Second: Commissioner Russell.

Those voting aye: Chairman Liotta, Commissioner Russell, and Commissioner Tilly.

The motion carried.

6. **Discussion and Consideration of Renewal of a Contract Via Statewide Contract SW1046A Between the Commission and Westlaw for Online Legal Library Services for Fiscal Year 2019**

The Commission discussed and considered approving renewal of its subscription pursuant to a statewide contract for Westlaw Law Library Services for FY-2019. The cost of the contract is \$13,578.24.

Motion: Commissioner Russell moved to renew the Westlaw contract as presented, encumbering funds in the amount of \$13,578.24.

Second: Commissioner Tilly.

Those voting aye: Chairman Liotta, Commissioner Russell, and Commissioner Tilly.

The motion carried.

7. **Discussion and Consideration of Renewal of the Project Management Contract Between the Commission and the Office of Management and Enterprise Services (OMES) for Fiscal Year 2019**

The Commission discussed and considered approving renewal of its Project Management contract with OMES for FY-2019. The cost of the contract is \$43,200.00.

Motion: Commissioner Tilly moved to renew the Project Management Contract between Commission and OMES for FY-2019, encumbering funds in the amount of \$43,200.00.

Second: Commissioner Russell.

Those voting aye: Chairman Liotta, Commissioner Russell, and Commissioner Tilly.

The motion carried.

8. **Discussion and Consideration of Renewal of a Contract Between the Commission and Objectstream for Development of a New Case Management System (Case OK) for Fiscal Year 2019**

The Commission discussed and considered renewing a contract between the Commission and Objectstream for development of a new case management system (Case OK) for FY-2019. The cost of the contract is \$198,744.00.

Motion: Commissioner Russell moved to renew the contract between the Commission and Objectstream for FY-2019, encumbering funds in the amount of \$198,744.00.

Second: Commissioner Tilly.

Those voting aye: Chairman Liotta, Commissioner Russell, and Commissioner Tilly.

The motion carried.

9. Discussion and Consideration of Renewing the Memorandum of Understanding (MOU) between the Commission and Self-insurance Guaranty Fund (SIGF) Board for Fiscal Year 2019

The MOU established the services performed by the Commission's Chief Financial Officer for the SIGF Board and the Board's payment for the Commission's costs in providing such services. The Commission discussed and considered approving a one-year renewal of the MOU with the SIGF Board for FY-2019 in the amount of \$5,000.00.

Motion: Commissioner Tilly moved to renew the MOU between the Commission and SIGF Board for FY-2019.

Second: Commissioner Russell.

Those voting aye: Chairman Liotta, Commissioner Russell, and Commissioner Tilly.

The motion carried.

A. Motion and Vote to Reconvene in Open Session

Motion: Commissioner Tilly moved to reconvene in Open Session.

Second: Commissioner Russell.

Those voting aye: Chairman Liotta, Commissioner Russell, and Commissioner Tilly.

10. Discussion and Consideration of Current Commission Policies

The Commission discussed and considered the following current Commission policies and determined if any updates are necessary: (a) Complaint and Investigation Policy; and (b) Reasonable Accommodation Policy.

Commission HR Director Clif Cypert was recognized, reported, responded to questions of the Commissioners and gave a recommendation.

Motion: Commissioner Russell moved to approve both policies as proposed and previously circulated.

Second: Commissioner Tilly.

Those voting aye: Chairman Liotta, Commissioner Russell, and Commissioner Tilly.

The motion carried.

11. Discussion and Consideration of Current Status and Advertisement for the Previously Approved Position of General Counsel

The Commission discussed and considered the current status and advertisement for the previously approved position of General Counsel. Commission HR Director Clif Cypert responded to questions of the Commissioners.

12. Legislative Update Report

Commissioner Russell reported on legislative meetings and legislation affecting the Commission.

13. Announcements

The Commission's next regularly scheduled appeals meeting is on April 20, 2018. The Commission's next special business meeting is on May 3, 2018. The Commission's next regularly scheduled business meeting is on May 17, 2018.

ADJOURNMENT.....Chairman Liotta

Motion: Commissioner Tilly moved to adjourn.

Second: Commissioner Russell.

Those voting aye: Chairman Liotta, Commissioner Russell, and Commissioner Tilly.

The motion carried. The meeting adjourned.